

**MINUTES OF THE  
GOVERNOR'S BOARD OF ECONOMIC DEVELOPMENT**

October 9, 2007 • 4:00 p.m.  
324 South State Street, Suite 500  
Salt Lake City, Utah

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**Members Present:** Ragula Bhaskar, Bill Boyle (by phone), Jack Brittain, Mary Draper (by phone), Stanley Ellington, Nikos Linardakis, Amy Rees Lewis (by phone), Richard Nelson, Jerry Oldroyd, Gerald Sherratt (by phone), James Sorenson, Cliff White

**Members Absent:** Molonai Hola, Mel Lavitt

**Visitors:** Brad Baird, Annette Call, Luanne Christensen, Tauni Everett, Kevin Hamilton, Susan Thackeray, Brice Wallace

**Staff:** Clark Caras, Connie Gates (by phone), Amy Hamblin, Jason Perry, Pete Pletsch, Michael Sullivan

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**Welcome -**

**Committee Reports**

*Incentives Committee*

**Project Gold Rush**

Company Request:

- The maximum EDTIF incentive available, rebating 50% in the first five years and 30% over 20 years, to help offset some of the costs of locating a manufacturing plant in Box Elder County

Project Highlights:

- Current projections anticipate the creation of over 900 full time jobs in 10 years and over 1,000 jobs in 20 years in Box Elder County, Utah
- Projected Wages: Greater than 200% of Box Elder County Median Wage
- New State Revenue: \$98,522,000 over 10 years / \$280,739,000 over 20 years
- New State Wages: Over \$400,000,000 over 10 years / over \$1,000,000,000 over 20 years
- Capital Investment: \$540,000,000
- ROI Multiple: 3.3 times
- Competition: Other undisclosed states or expand at existing plants around the United States

Local Incentives:

- Box Elder County to refund incremental property taxes for up to 20 years on a post performance basis.

Chairman Ragula Bhaskar introduced the project and gave an overview of the company. The Proctor and Gamble Company is proposing to put a manufacturing plant in Box Elder County, other sites they are looking at are located in California and Missouri. This will be the first new location for the company in over 30 years. The State would like to offer an incentive to Proctor and Gamble, but it is the company's decision on whether they come to Utah or not. The percentage of the EDTIF rebate that will be offered is very similar to many other projects that have come to the GOED Board. P&G would bring in very high numbers as far as jobs and new state revenues are concerned. The local community is very supportive of this project.

There was a brief discussion on the water usage, and the impact to the community. The company would play a significant role in the economy of Northern Utah. It is anticipated that other businesses will move to the area as well. The rebate percentage and capital investment were discussed. Susan Thackeray, Box Elder County Economic Development, spoke about how important it is to the community to be able to provide good jobs locally so their people can stay in the area to work. LouAnn Christensen, Mayor of Brigham City, discussed the water rights and how water rich the area is; it is a good fit for the project. The amount of jobs was discussed.

**MOTION: Jerry Oldroyd moved to approve the following motion. Gerald Sherratt seconded the motion. Motion carried unanimously.**

**Should The Procter and Gamble Company decide to build a new manufacturing plant for its paper products division in Box Elder County, the Executive Director of the Governor's Office of Economic Development is authorized to offer to Procter and Gamble an EDTIF partial tax rebate on a post performance basis over twenty (20) years, rebating:**

- 50% of New State Revenue in years 1 through 5
- 30% of New State Revenue in years 6 through 18
- 15% of New State Revenue in years 19 and 20

The following chart models the potential incentive:

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	10 Yr. Total
New St. Revenue	8,707	3,750	9,630	7,326	6,500	14,957	11,000	11,000	13,652	12,000	98,522
Rate	50%	50%	50%	50%	50%	30%	30%	30%	30%	30%	
Amount	4,353	1,875	4,815	3,663	3,250	4,487	3,300	3,300	4,096	3,600	36,739

Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	20 Yr. Total
New St. Revenue	13,576	17,228	15,576	15,576	18,978	18,326	18,326	21,728	21,076	21,826	280,739
Rate	30%	30%	30%	30%	30%	30%	30%	30%	15%	15%	30%
Amount	4,073	5,168	4,673	4,673	5,693	5,498	5,498	6,518	3,161	3,274	84,969

**Terms and Conditions:**

- EDTIF maximum incentive not to exceed 30% of new state revenues over the life of the project
- The company must commit to keep operations in Utah for a minimum of 20 years
- The average salary of new employees must be equal to or greater than 200% of the Box Elder County Median Wage
- Subject to finalization of the Box Elder County local incentive

Meeting adjourned.